

**Kalamazoo Public Library
General Operating Fund
Preliminary Budget
Fiscal year ending June 30, 2011**

	FY 08/09 Budgetary Actuals	FY 09/10 Preliminary Budget	FY 09/10 Close Estimate Budget	FY 09/10 Close Estimate Revision Budget	FY 10/11 Preliminary Budget	Variance to Prior
<u>Revenue</u>						
Property Taxes	\$ 11,665,291	\$ 11,628,925	\$ 11,628,925	\$ 11,637,346	\$ 11,080,471	\$ (556,875)
State Grants	\$ 93,544	\$ 96,367	\$ 63,517	\$ 65,061	\$ 18,115	\$ (46,946)
Charges for Services	\$ 147,414	\$ 130,000	\$ 130,000	\$ 145,000	\$ 145,000	\$ -
District Court Penal Fines	\$ 305,554	\$ 305,000	\$ 305,000	\$ 300,000	\$ 300,000	\$ -
Other Revenue	\$ 420,128	\$ 244,500	\$ 255,328	\$ 239,648	\$ 222,880	\$ (16,768)
Total Revenue	\$ 12,631,931	\$ 12,404,792	\$ 12,382,770	\$ 12,387,055	\$ 11,766,466	\$ (620,589)
<u>Expenditures</u>						
Salaries & Benefits	\$ 7,469,399	\$ 7,427,735	\$ 7,337,111	\$ 7,322,961	\$ 7,167,894	\$ 155,067
Materials	\$ 1,078,419	\$ 1,111,146	\$ 1,111,146	\$ 1,111,146	\$ 1,051,659	\$ 59,487
Utilities	\$ 233,396	\$ 246,025	\$ 243,025	\$ 243,025	\$ 245,155	\$ (2,130)
Supplies	\$ 200,113	\$ 208,020	\$ 207,020	\$ 193,020	\$ 188,220	\$ 4,800
Buildings	\$ 202,378	\$ 187,977	\$ 198,427	\$ 198,877	\$ 190,268	\$ 8,609
Furniture & Equipment	\$ 116,392	\$ 116,805	\$ 116,805	\$ 117,795	\$ 121,863	\$ (4,068)
Other	\$ 1,456,235	\$ 1,409,671	\$ 1,344,823	\$ 1,368,153	\$ 1,310,585	\$ 57,568
Total Operating Expenditures	\$ 10,756,332	\$ 10,707,379	\$ 10,558,357	\$ 10,554,977	\$ 10,275,644	\$ 279,333
Excess (Deficiency) of Revenue Over Expenditures	\$ 1,875,599	\$ 1,697,413	\$ 1,824,413	\$ 1,832,078	\$ 1,490,822	\$ (341,256)
Operating Transfers Out						
Transfers to/from Other Funds/Prior adjustments	\$ (20,828)	\$ -	\$ -	\$ (2,947)	\$ -	\$ (2,947)
Transfers to Capital Improvement Plan	\$ 350,000	\$ 350,000	\$ 200,000	\$ 200,000	\$ 130,000	\$ 70,000
Transfer to Bond Issues Debt Service	\$ 1,585,000	\$ 1,545,000	\$ 1,548,000	\$ 1,548,000	\$ 1,188,000	\$ 360,000
Total Expenditures & Transfers	\$ 12,670,505	\$ 12,602,379	\$ 12,306,357	\$ 12,300,030	\$ 11,593,644	\$ 706,386
Excess (Deficiency) of Revenue and Other Sources Over Expenditures and Other Uses	\$ (38,573)	\$ (197,587)	\$ 76,413	\$ 87,025	\$ 172,822	\$ 85,797
Beginning Fund Balance	\$ 3,929,316	\$ 3,528,122	\$ 3,890,743	\$ 3,890,743	\$ 3,977,768	\$ 87,025
Fund Balance Reserves						
Reserve for Cash Flow	\$ 3,000,000	\$ 3,050,000	\$ 3,800,000	\$ 3,800,000	\$ 3,900,000	\$ (100,000)
Reserve for Non-Profit Mgmt Service Center	\$ 100,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ 50,000
Total Reserves	\$ 3,100,000	\$ 3,100,000	\$ 3,850,000	\$ 3,850,000	\$ 3,900,000	\$ (50,000)
Unreserved Fund Balance	\$ 790,743	\$ 230,535	\$ 117,156	\$ 127,768	\$ 250,590	\$ 122,822
Audited Variance to Budget						
Total Ending Fund Balance	\$ 3,890,743	\$ 3,330,535	\$ 3,967,156	\$ 3,977,768	\$ 4,150,590	\$ 172,822

Kalamazoo Public Library's Property Tax Revenue is based upon a maximum allowable 3.9583 mills levied for operating purposes. The 3.9583 millage rate results from the effect of the Headlee rollback provision of MCL 211.34d upon the maximum authorized rate of 4.0 mills.

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Fiscal year ending June 30, 2011**

Kalamazoo Public Library's Preliminary Budget for fiscal year 2010-2011 is based upon property tax revenues reducing nearly 5% from the previous year. Other reductions in anticipated revenue include the expectation of the suspension of State Aid to Public Librarians and the continuation of reduced returns on money market investments of library funds. Total Operating Fund Revenue is projected to be down \$620,589 from the prior year.

Total Expenditures for fiscal year 2010-2011 are projected to be reduced by \$282,233, with additional reductions in transfers to the Capital Improvement Plan and Debt Service contributing an additional \$430,000 to result in the overall reduction of Total Expenditures and Transfers of \$712,233 from the prior year to contribute \$91,644 to the fund balance for the net change for the year. This reduction has been accomplished through the reduction of 6.4 FTE staff positions through redistribution and attrition after staff retirements over a two year period, the reduction of transferred support to the Capital Improvement Plan due to the receipt of an anonymous bequest, and the completion of the repayment of the 2002 Library Facility Bond Issue as of May 2010 and the reallocation of a portion of the resources to support operations.

The Total Ending Fund Balance for fiscal year ending June 30, 2011 is budgeted to be \$172,822 more than the ending balance of the previous year, a significant portion of which is reserved to support cash flow needs through the end of the calendar (and tax) year of 2010

%

-4.8%
-72.2%
0.0%
0.0%
-7.0%
-5.0%

2.1%
5.4%
-0.9%
2.5%
4.3%
-3.5%
4.2%
2.6%